

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

600 Income Security (Continued)Decrease Limits on Contributions to Qualified
Pension and Profit-Sharing Plans (REV-13)

Addition to CBO Baseline

Decrease Limits to \$45,000 and \$15,000	900	2,500	2,800	3,200	3,600	12,900
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Decrease Limits to \$67,500 and \$22,500	200	600	600	700	800	2,900
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Repeal Salary Reduction Plans	2,800	5,700	6,200	7,100	8,100	29,800
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Decrease the Limit for Deferrals in Salary Reduction Plans to \$5,000	100	300	300	400	400	1,400
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Impose a 5 Percent Tax on the Investment Income
of Qualified Retirement Plans and IRAs (REV-14)

Addition to CBO Baseline	2,100	3,600	3,800	4,000	4,200	17,600
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Tax Nonretirement Fringe Benefits (REV-19)

Addition to CBO Baseline

Tax Some Health
Insurance Premiums

Income tax	2,000	3,700	4,500	5,500	6,500	22,200
Payroll tax	1,200	2,000	2,400	3,000	3,500	12,100

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

600 Income Security (Continued)Tax Nonretirement Fringe Benefits (REV-19) (Continued)

Addition to CBO Baseline

Tax Life

Insurance Premiums

Income Tax	1,200	1,800	1,900	2,000	2,100	9,000
Payroll Tax	600	900	1,100	1,000	1,100	4,700

Require a Two-Week Waiting Period for
Unemployment Insurance Benefits (ENT-18)

Savings from CBO Baseline

Budget Authority	--	--	--	--	--	--
Outlays	--	1,200	1,300	1,450	1,500	5,450

Index the Unemployment Insurance
Taxable Wage Base (ENT-19)

Addition to CBO Baseline	--	200	600	700	600	2,100
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Maintain the Current Federal Unemployment
Insurance Tax Rate (ENT-20)

Addition to CBO Baseline	700	800	800	500	300	3,100
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	
<u>650 Social Security</u>						
Increase Taxation of Non-Means-Tested Entitlement Benefits (REV - 18)						
Addition to CBO Baseline						
Increase Taxation of Social Security and Railroad Retirement Tier I						
Tax 50 percent of benefits	2,100	7,100	7,500	7,800	8,200	32,700
Tax 85 percent of benefits	4,600	15,600	16,800	17,900	19,100	74,000
Tax Workers' Compensa- tion and Black Lung Benefits						
	1,000	3,200	3,500	3,800	4,100	15,600
Broaden the Social Security Tax Base (REV - 20)						
Addition to CBO Baseline						
Extend HI Coverage to State and Local Government Workers Not Now Covered						
	1,300	1,900	1,900	2,000	2,100	9,300
Extend OASDI Coverage to New State and Local Government Workers						
	200	900	1,500	2,100	2,800	7,500

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

650 Social Security (Continued)

Restrict Cost-of-Living Adjustments in
Non-Means-Tested Benefit Programs (ENT - 14)

Savings from CBO Baseline

Eliminate COLAs for One Year

Social Security/ Railroad Retirement	6,550	9,000	9,050	9,050	8,850	42,500
Other Non- Means-Tested Programs	1,700	2,300	2,400	2,450	2,550	11,450
Offsets in Means-Tested Programs and Medicare Premiums	-1,150	-1,900	-2,050	-2,200	-2,300	-9,600

Limit COLAs to Two-Thirds of CPI

Increase for Five Years

Social Security/ Railroad Retirement	2,250	5,400	9,000	12,600	16,250	45,450
Other Non- Means-Tested Programs	580	1,400	2,300	3,250	4,300	11,850
Offsets in Means-Tested Programs and Medicare Premiums	-70	-240	-430	-670	-910	-2,300

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

650 Social Security (Continued)Restrict Cost-of-Living Adjustments in
Non-Means-Tested Benefit Programs (ENT-14) (Continued)Limit COLAs to CPI Increase Minus
Two Percentage Points for Five Years

Social Security/ Railroad Retirement	3,200	7,750	12,500	17,500	22,650	63,550
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Other Non- Means-Tested Programs	830	2,000	3,200	4,550	5,950	16,550
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Offsets in Means-Tested Programs and Medicare Premiums	-100	-340	-610	-940	-1,250	-3,250
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Pay Full COLA on Benefits Below a Certain Level and
50 Percent of COLA on Amounts Exceeding That Level

Social Security/ Railroad Retirement	710	1,750	2,900	4,050	5,250	14,650
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Reduce the Replacement Rate Within Each Bracket
of the Social Security Benefit Formula (ENT-15)

Savings from CBO Baseline

Outlays	80	280	530	850	1,250	3,000
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

650 Social Security (Continued)

Eliminate Social Security Benefits for
Children of Retirees Aged 62-64 (ENT - 16)

Savings from CBO Baseline

Outlays	40	180	360	590	650	1,820
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700 Veterans' Benefits and Services

Convert Underused Acute-Care Beds in VA Hospitals (NDD - 11)

Savings from CBO Baseline

Budget Authority	10	120	180	240	310	860
Outlays	35	110	170	230	290	840

Eliminate Certain Veterans' Compensation Payments
for Those with Low-Rated Disabilities or End
Allowances for Dependents (ENT - 17)

Savings from CBO Baseline

Eliminate Compensation for
Low-Rated Disabilities

Budget Authority	1,300	1,350	1,450	1,450	1,550	7,100
Outlays	1,200	1,350	1,400	1,400	1,550	7,000

End Certain Dependents' Allowances

Budget Authority	210	220	230	240	240	1,130
Outlays	190	220	230	230	240	1,110

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

750 Administration of Justice

End Funding for the Legal Services Corporation (NDD-08)

Savings from CBO Baseline

Budget Authority	320	340	360	380	400	1,800
Outlays	320	340	360	380	400	1,800

850 General Purpose Fiscal Assistance

Eliminate Private-Purpose Tax-Exempt Bonds (REV-10)

Addition to CBO Baseline

Eliminate All Private-Purpose Tax-Exempt Bonds	300	900	1,600	2,100	2,500	7,500
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Raise Cap and Extend Volume Limits to New Issues of All Private- Purpose Bonds	100	200	400	500	900	2,100
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Eliminate Deductibility of
State and Local Taxes (REV-17)

Addition to CBO Baseline

Eliminate Deduct- ibility of State and Local Taxes	3,400	22,900	24,600	26,500	28,500	105,900
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

850 General Purpose Fiscal Assistance (Continued)

Eliminate Deductibility of
State and Local Taxes (REV-17) (Continued)

Addition to CBO Baseline

Maintain Deduct-
ibility of Taxes
Above Floor of
1 Percent of AGI

600	3,900	4,300	4,700	5,100	18,700
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Prohibit Deduct-
ibility of Taxes
Above Ceiling of
7 Percent of AGI

700	4,500	4,900	5,200	5,500	20,800
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All Functions

Modify the Davis-Bacon Act by Raising the Contract Threshold
and Allowing Unrestricted Use of Helpers (NDD-24)

Savings from CBO Baseline

Budget Authority	640	660	680	710	740	3,430
Outlays	140	390	530	590	640	2,290

Alter the Timing and Distribution of Federal Pay Raises (FWF-01)

Savings from CBO Baseline

Budget Authority	590	1,250	1,450	1,700	1,750	6,740
Outlays	610	1,300	1,500	1,700	1,750	6,860

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

All Functions (Continued)Reduce Federal Travel Expenses (FWF-04)

Savings from CBO Baseline

Budget Authority	600	640	670	710	740	3,360
Outlays	560	580	620	650	690	3,100

Trim the Size of the Federal Civilian Work Force (FWF-05)

Savings from CBO Baseline

Budget Authority	--	710	1,500	2,400	3,350	7,960
Outlays	--	580	1,200	1,950	2,750	6,480

Options Not Assignable to a FunctionRaise Marginal Tax Rates for Individuals
and Corporations (REV-01)

Addition to CBO Baseline

Individuals

Retain Transitional 1987 Tax Rates for an Additional Year	8,600	7,000	--	--	--	15,600
Raise Marginal Tax Rates to 16 Percent and 30 Percent	14,000	27,400	29,600	32,400	35,500	138,800
Raise the Top Marginal Tax Rate to 30 Percent	7,000	14,200	15,500	17,400	19,700	73,800

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

Options Not Assignable to a Function (Continued)Raise Marginal Tax Rates for Individuals
and Corporations (REV-01) (Continued)

Addition to CBO Baseline

Individuals

Add a 33 Percent Bracket	2,800	6,500	8,800	11,400	14,100	43,700
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Corporations

Retain Transitional 1987 Tax Rate for an Additional Year	8,200	5,500	--	--	--	13,700
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Raise Marginal Tax Rate to 35 Percent	1,500	2,600	2,900	3,100	3,300	13,400
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Amend or Repeal Indexing of Income Tax Schedules (REV-02)

Addition to CBO Baseline

Repeal Indexing	--	3,600	11,600	23,100	36,900	75,300
Eliminate the Indexing Adjustment Scheduled for 1989	--	3,600	6,300	7,000	7,700	24,600

Impose a Value-Added Tax (REV-03)

Addition to CBO Baseline

5 Percent Tax, Comprehensive Base	--	73,800	107,500	110,900	114,300	406,500
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

Options Not Assignable to a Function (Continued)

Impose a Value-Added Tax (REV-03) (Continued)

Addition to CBO Baseline

5 Percent Tax, Narrower Base, Exemptions for Food, Housing and Medical Care	--	42,600	62,100	64,000	65,800	234,600
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5 Percent Tax, Narrower Base, No Exemptions for Food, Drugs, and Medical Care; Low-Income Relief Under Means- Tested Programs	--	56,000	81,500	83,300	84,700	305,300
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Increase Excise Taxes (REV-05)

Addition to CBO Baseline

Extend the Telephone Tax	1,300	2,300	2,500	2,700	3,000	11,700
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Raise the Cigarette Tax to 32 Cents per Pack	2,900	3,100	3,100	3,000	2,900	15,100
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Increase Taxes on Distilled Spirits	400	600	600	600	600	2,700
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Raise Taxes on Beer and Wine to Rate on Distilled Spirits	4,200	5,700	5,800	5,900	6,000	27,600
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1988	1989	1990	1991	1992	

Options Not Assignable to a Function (Continued)Increase Excise Taxes (REV-05) (Continued)

Addition to CBO Baseline

Index Current Cigar-
ette and Alcohol Tax

Rates for Inflation 400 700 1,100 1,200 1,400 4,800

Repeal Tax Preferences for Extractive Industries (REV-09)

Addition to CBO Baseline

Repeal Percentage
Depletion

500 900 900 1,000 1,000 4,200

Repeal Expensing of
Intangible Drilling,
Exploration, and
Development

Costs 1,100 1,700 1,400 1,200 1,100 6,500

Bring Oil and Gas
Losses Within
the Passive Loss
Limitation

100 300 300 400 500 1,600